

PATENT
0505-4008

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

DECLARATION AND POWER OF ATTORNEY

As a below named inventor, I hereby declare that:

I believe I am an original, first and sole inventor of the subject matter which is claimed and for which a patent is sought on the invention entitled **AUTOMATED SYNCHRONIZATION OF ORDERS REPRESENTED IN MULTIPLE MARKETS**, the specification of which is attached hereto.

I hereby state that I have reviewed and understand the contents of the above-identified specification. I acknowledge the duty to disclose all information known to me that is material to patentability as defined in Title 37, Code of Federal Regulations, § 1.56.

I hereby claim foreign priority benefits under Title 35, United States Code, § 119 of any foreign application(s) for patent or inventor's certificate listed below and have also identified below any foreign application for patent or inventor's certificate having a filing date before that of the application on which priority is claimed:

NONE

I hereby claim the benefit under Title 35, United States Code, § 120 of any United States application(s) listed below and, insofar as the subject matter of each of the claims of this application is not disclosed in the prior United States application in the manner provided by the first paragraph of Title 35, United States Code, § 112, I acknowledge the duty to disclose all information known to me to be material to patentability as defined in Title 37, Code of Federal Regulations, § 1.56 which became available between the filing date of the prior application and the national or PCT international filing date of this application:

NONE

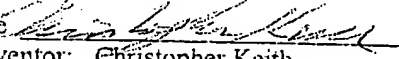
I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

I hereby appoint the following attorney with full power of substitution and revocation, to prosecute said application, to make alterations and amendments therein, to receive the patent, and to transact all business in the Patent and Trademark Office connected therewith:

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PATENT
0505- 4008**AUTOMATED SYNCHRONIZATION OF ORDERS
REPRESENTED IN MULTIPLE MARKETS**

The present application is a continuation-in-part of U.S. application serial number 09/546,031, filed April 10, 2000, which is hereby incorporated by reference.

BACKGROUND OF THE INVENTION

The present invention relates to trading systems such as for financial instruments and other goods and services, and more particularly, is directed to a system that forms a platform for processes that can be flexibly configured to interact with each other.

Conventional financial instrument trading systems assume a particular set of rules and protocols must be used during trading. However, the financial industry is a hotbed of rapidly changing ideas and trends; because the development time and expense associated with a conventional trading system cannot change accordingly, financial innovation is stifled.

Due to the rapid proliferation of methodologies and competitors, practitioners are experiencing increasing difficulty in finding best markets, as required by their fiduciary obligations.

Meanwhile, the stress of person-to-person trading is increasing as the volume of information that must be assimilated by an individual trader increases. Despite the ever faster pace of financial markets, there is a desire to give each party's order the sort of personalized service that becomes increasingly difficult with the increasing market pace.

On the other hand, the rate at which the structure of financial markets changes is slow, in part due to the huge technology costs. The costs include building new systems and connecting practitioners to the new systems.

Finally, personal relationships remain key in large trades, that is, computer-based trading technology has not been adopted by large block traders, who still rely on the telephone. This fact has not been accommodated in conventional trading systems, which generally require practitioners to change their practices to what can be readily automated from a system implementer's viewpoint; private interpersonal agreements and arrangements have been considered unsuitable for automation in conventional trading systems.

Accordingly, there is a need for a fresh methodology for developing financial instrument trading systems.

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SUMMARY OF THE INVENTION

In accordance with an aspect of this invention, there is provided a method of operating an internal market. An order is automatically represented in the internal market and an external market. It is automatically ensured that the order is executable in at most one of the internal market and the external market.

In accordance with another aspect of this invention, there is provided a method of synchronizing an internal market and an external market. An action is automatically received from one of the internal and external markets. The action is automatically transmitted to the other of the internal and external markets. When a response has not been received within a predetermined time, a zero action is automatically sent to the one of the internal and external markets.

In a further aspect, a response is received after the predetermined time and a negative acknowledgement is sent to the other of the internal and external markets.

In accordance with an aspect of this invention, there is provided a method of operating a market. Performance of an action received from another market is automatically attempted. The action is automatically committed after ensuring availability of resources for the action.

In accordance with an aspect of this invention, there is provided a method of operating an internal market. Performance of an action received from a local trading process is automatically attempted. The action is automatically committed after ensuring that the action is reflected in an external market.

In a further aspect, the internal and external markets follow a two phase protocol for committing actions.

In accordance with an aspect of this invention, there is provided a method of synchronizing two markets. An order file is transmitted from one of the markets that has been dominant to the other of the markets that has been slaved. The order file is updated to reflect activity that occurred while the order file was being transmitted from the formerly dominant market to the formerly slaved market.

It is not intended that the invention be summarized here in its entirety. Rather, further features, aspects and advantages of the invention are set forth in or are apparent from the following description and drawings.